



In the Public Interest

Ontario
Financial and
commercial
affairs dept

Your rights—and the assistance available to you
under the laws and regulations of the
Ontario Department of Financial and Commercial Affairs

CARON
CC
- 3002



3 1761 11469762 6

Fourth printing/25M/10/87

Investments

The Ontario Securities Commission establishes standards and procedures with regard to transactions in securities in Ontario. It is a semi-judicial tribunal which hears and deals with appeals and has wide powers for investigating offences under *The Securities Act*.

Strengthening the regulations concerning securities and giving additional powers to the Ontario Securities Commission has been one of the prime concerns of the new Department. Ontario now has the most stringent securities laws in Canada. *The Securities Act* sets the highest standards in the country for public disclosure of information in prospectuses (information material) for stocks and similar investments, and lays down the stiffest guidelines on what is known as "insider trading" and "takeover bids."

As far as the public is concerned, the key phrase in the *Securities Act* is "full, plain and true disclosure"—which requires that the prospective buyer of securities be given the fullest possible information necessary to guide him in making a decision.

For further information, get the pamphlet entitled *Securities*.

Insurance, Loan and Trust corporations

The office of the Superintendent of Insurance is responsible for the general supervision of the insurance industry in Ontario. It also oversees the financial position of loan and trust companies.

A new era for the consumer

This is a new era for the consumer in Ontario. The various laws and regulations are designed to help you to make intelligent decisions based on facts. They are intended to provide protection and assistance when and where this might be needed.

At the same time, in the confident belief that only a fraction of one per cent of the people who do business have dishonest intentions, the Government of Ontario does not intend to interfere with normal and correct business, nor with the basic rights of either the buyer or the seller. But it will deal firmly with those who evade these consumer laws.

If you wish further information on any of the subjects dealt with above, or if you have a complaint, write to the address shown below. Your interest will be welcome.

Department of Financial and Commercial Affairs
123 Edward Street, Toronto 2, Ontario
Issued under the authority of
Hon. H. L. Rowntree, Q.C. Minister
Department of Financial and Commercial Affairs
Government of Ontario



A new concept of public service

Laws covering health, safety, traffic, hours of work, wages and similar matters concerning the common good have been with us for a long time. We take them for granted. But the world has been changing rapidly, and in recent years our society has been becoming increasingly complex.

Ours is a credit-oriented economy, in which more than 80 per cent of even the everyday business of the household is done on credit. When we do simple things like paying the Hydro bill by cheque or charging at the local drug store we are using the credit system. When we borrow cash, finance a car, take out a mortgage or establish a revolving credit account with a retail store, we are also using the system and are becoming involved in contracts, interest rates, service charges and other matters that were much less common to earlier generations.

Similarly, when we buy a house or other property, or a used car, or make investments, we can involve ourselves in serious financial obligations. Here it is essential that we have full and clear disclosure of all pertinent information so that we know exactly what we are doing.

In order to clarify these matters for the people of Ontario and to give them assistance and guidance—without at the same time interfering with their right to make their own decisions—new laws and regulations have been enacted and certain existing laws have been brought under the recently established Department of Financial and Commercial Affairs. These are explained briefly in this folder.

This is a new concept of provincial administration—the first of its kind in Canada. What has been done is in the public interest. It is for your assistance, and your protection.

Hon. H. L. Rowntree, Q.C., Minister

The Department

The Department of Financial and Commercial Affairs is made up of three main divisions:

- The Consumer Protection Division
- The Ontario Securities Commission
- The Office of the Superintendent of Insurance and Registrar of Loan and Trust Companies.

Consumer affairs

The section of the new Department that will be of interest to most residents of Ontario is the Consumer Protection Bureau. Under an Act passed in the spring of 1967 new protection is given to the consumer in the fields of credit purchases, purchase contracts, and borrowing money.

In all contracts where money is borrowed or when goods or services are bought on "time," it is now required that the *true rate of interest and service charges* be set out clearly in the agreement so that the borrower or purchaser knows *exactly* what he is paying. Thus it is no longer possible to have hidden charges and unspecified service "extras." The exact amount of payments and the number of payments must be clearly specified.

"Itinerant sellers"—that is, people or companies who do business away from their premises—must be registered with the Consumer Protection Division. When you sign a contract to buy something from an itinerant seller there must be a "cooling-off" period of two working days in which you can change your mind and cancel the order. The law also sets out new rules regarding repossession of goods. This now requires court approval if two-thirds or more of the purchase price has been paid under an installment contract.

All of these matters are explained more fully in the pamphlet *Consumer Credit* which is available from the Department, at the address shown on the last page of this pamphlet.

Real estate

Additional assistance is now given to Ontario residents considering buying real estate either within the province or outside it. Real Estate agents must be registered with the Department.

Full disclosure must be given in respect to costs of financing a house through a mortgage, with all information regarding payments, interest rates and other charges clearly set out. Full disclosure must also be given in prospectuses for real estate offered outside Ontario—and these prospectuses must be approved by the Department.

For further information, ask for the pamphlet on *Real Estate*.

Used cars

New protection is given in respect to used cars—covering such matters as full and accurate description of the vehicle and all pertinent details as to trade-ins, insurance and financing, which must be given in the purchase order. There are new regulations covering warranties. And there must be a clear and accurate description of all charges. Before buying a used car it is strongly recommended that you learn about the new laws. Read the folder on *Used Cars*.